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CENTRAL INTELLIGENCE AGENCY Office of Current Intelligence 25 May 1966

INTELLIGENCE MEMORANDUM

The Situation in South Vietnam (As of 12:30 P.M. EDT)

Hue

1. A group of approximately 75 student demonstrators remain outside the US Consulate at Hue. They have set up barricades and tents, restricting access to the building. US officials in the city have so far had no success in their efforts to get local authorities remove the demonstrators. If access to the Consulate is not restored in the near future, a problem could arise with respect to its continued operation.

Saigon

- 2. In a meeting with Ambassador Lodge today, Chief of State Thieu has outlined the government's plans for dealing with the dissident forces in Hue.
- 3. Stating that a "more elegant" solution than had been applied to Da Nang was in order, Thieu indicated that the GVN intended to isolate Hue rather than attack it. The city should be "blockaded", Thieu said, and "psychological" pressure should be applied. Thieu remarked that he planned to establish a base outside the city, probably at Quang Tri, which could be used as a rallying point for those who wished to come out.
- 4. The Chief of State noted that the government's principal concern was the viability of the First Division as a force against the VC. A "solution" in Hue which alienated this unit would not be acceptable to the authorities in Saigon.

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GROUP 1
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5. There were a series of demonstrations in Saigon during the afternoon of the 25th (Saigon time), but security forces have been effective in keeping them under control. Though a large number of demonstrators took to the streets, the police, using tear gas and aided by heavy rains, discouraged the formation of any major groups. Security was particularly tight around the Buddhist Institute and the American Embassy.

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